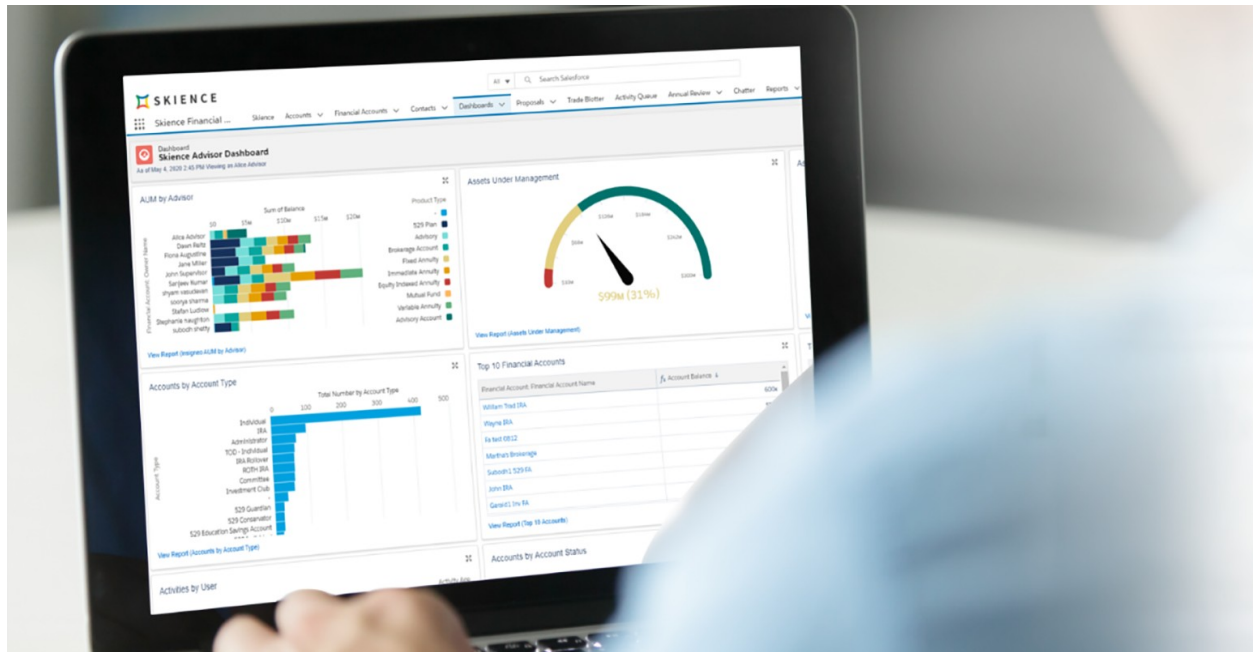


<https://www.wealthmanagement.com/technology/skience-rolls-out-rightbridge-integration>



TECHNOLOGY

Skience Rolls Out RightBRIDGE Integration

The newly integrated business intelligence engine is meant to streamline Reg BI and DOL compliance.

Rob Burgess | Nov 29, 2022

Advisor technology provider and consulting firm Skience announced their integration with CapitalROCK's business intelligence engine RightBRIDGE on Nov. 8.

While many advisors have likely heard of Skience by now, this is probably less the case for RightBRIDGE, which is meant to help advisors determine the best interest status of proposed rollovers, account types and products in a more automated way.

The integration is another step Skience has taken toward allowing advisory firms of any size to easily integrate compliance with the Securities and Exchange Commission's Regulation Best Interest rule into their day-to-day workflow and processes.

Damon Gladman, head of product management at Skience, said RightBRIDGE uses ReasonText, a proprietary client and recommendation-specific technology that uses machine learning to proposed products or advice meet the licensing broker/dealers best interest requirements—or does not meet them—and automatically generates an analysis report.

“It explains exactly why the suggestion is being made including client-specific analysis and information,” said Gladman. “It describes for the client the disciplined approach used to determine the suitability of a product.”

During a recent interview, Gladman said this integration made a lot of sense.

“We have some compliance tools, but our surveillance product is mostly catered to post-trade items,” said Gladman.

Gladman said data from RightBRIDGE’s recommendations will be used to update records in Skience as well as leveraged by Skience’s suitability checks.

“As part of the new account opening, Skience offers suitability testing, license and registration validation, and OFAC/CIP testing, all captured in detailed trails and snapshots for regulatory audits,” said Gladman.

“Skience’s compliance solutions enable firms to perform one-click suitability testing during new account opening based on data available from RightBRIDGE’s recommendations, such as investment objective, risk tolerance, source of funds, age, time horizon and other factors.”

What they didn’t have before now, Gladman said, were any features or technology specifically with Reg BI or PTE 2020-02. The SEC first implemented Reg BI in June 2020.

And in December 2020, the Department of Labor adopted PTE 2020-02, Improving Investment Advice for Workers & Retirees, a new prohibited transaction exemption under ERISA and the code for investment advice fiduciaries concerning employee benefit plans and individual retirement accounts (IRAs).

“This is like when you’re in your high school math class and you have a proof that you have to do,” said Gladman. “Sometimes you’re smart to know what the answer is because you’ve done problems like it a million times and you can write the answer down and it’s great, but you still get a zero on the problem from the teacher because you didn’t show your work. This is the exact same scenario. The regulator is looking for advisors to show their work, which is exactly what this does in a very streamlined way.”

In November 2021, Skience announced it had added a SEC 17a-4 compliant repository for documents to its platform. The firm also announced an impending integration with the popular advisor CRM technology provider Redtail Technology.

Gladman said this latest development was a “fairly deep integration” including bidirectional data flows between Skience and RightBRIDGE. All of the data which comes back from RightBRIDGE, not a subset, is then stored in Skience.

“They are able to pass data out of Skience into RightBRIDGE to reduce data entry,” said Gladman. “They go through their process in RightBRIDGE to define their recommendation of product fit for their client. Then they come back into Skience. All of that is seamless.”